

ORIGINAL



BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

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JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
MIKE GLEASON  
KRISTIN K. MAYES  
BARRY WONG

AZ CORP COMMISSION  
DOCUMENT CONTROL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF  
SILVERWELL SERVICE CORPORATION FOR  
APPROVAL OF THE SALE OF ITS ASSETS AND  
TRANSFER OF ITS CERTIFICATE OF  
CONVENIENCE AND NECESSITY TO WATCO,  
INC.

DOCKET NO. W-20475A-06-0549  
DOCKET NO. W-01979A-06-0549

PROCEDURAL ORDER

BY THE COMMISSION:

On August 31, 2006, Silverwell Service Corporation ("SSC") and Watco, Inc. ("Watco") filed with the Arizona Corporation Commission ("Commission") and application for approval of the sale of SSC's assets and transfer of SSC's Certificate of Convenience and Necessity ("Certificate") to Watco.

On September 28, 2006, the Commission's Utilities Division ("Staff") issued a letter of insufficiency which stated that the application had not met the sufficiency requirements of A.A.C. R14-2-411(C).

On November 9, 2006, Staff issued a notice of sufficiency which stated that the application had met the sufficiency requirements of A.A.C. R14-2-411(C).

Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that a hearing shall commence on January 18, 2007, at 9:30 a.m., or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona 85007.

IT IS FURTHER ORDERED that the Staff Report and associated exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed on or before 4:00 p.m. on December 19, 2006.

IT IS FURTHER ORDERED that any objections to the Staff Report and associated exhibits

to be presented at hearing by Applicant shall be reduced to writing and filed on or before 4:00 p.m. on December 29, 2006.

IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105, except that all motions to intervene must be filed on or before January 2, 2007.

IT IS FURTHER ORDERED that Applicant shall provide public notice of the hearing in this matter, in the following form and style:

**PUBLIC NOTICE OF THE HEARING FOR APPROVAL FOR  
SILVERWELL SERVICE CORPORATION  
FOR THE SALE OF ITS ASSETS AND TRANSFER OF ITS  
CERTIFICATE OF CONVENIENCE AND NECESSITY TO WATCO. INC.  
DOCKET NOS. W-20475A-06-0549 AND W-01979A-06-0549**

On August 31, 2006, Silverwell Service Corporation ("SSC") and Watco, Inc. ("Watco") filed with the Arizona Corporation Commission ("Commission") an application for approval of the sale of SSC's assets and transfer of SSC's Certificate of Convenience and Necessity ("Certificate") to Watco. The application is available for inspection during regular business hours at the offices of the Commission in Phoenix, at 1200 West Washington Street, Phoenix, Arizona, and at the offices of the Company, [insert address] and on the internet via the Commission website ([www.azcc.gov](http://www.azcc.gov)) using the e-docket function.

The Commission will hold a hearing on this matter commencing on January 18, 2007, at 9:30 a.m., at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Intervention shall be permitted to any person entitled by law to intervene and having a direct and substantial interest in the matter. Persons desiring to intervene must file a written motion to intervene with the Commission, which motion should be sent to Applicant or its counsel and to all parties of record, and which, at the minimum, shall contain the following:

1. The name, address, and telephone number of the proposed intervenor and of any party upon whom service of documents is to be made if different than the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of Applicant, a shareholder of Applicant, a competitor, etc.).
3. A statement certifying that a copy of the motion to intervene has been mailed to the Applicant or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before January 2, 2007. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf.

1 If you have any questions about this application, or want information on intervention, you  
2 may contact the Consumer Services Section of the Commission, at 1200 West  
Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000.

3 The Commission does not discriminate on the basis of disability in admission to its  
4 public meetings. Persons with a disability may request a reasonable accommodation  
5 such as a sign language interpreter, as well as request this document in an alternative  
6 format, by contacting Linda Hogan, ADA Coordinator, voice phone number 602/542-  
3931, E-mail [lhogan@cc.state.az.us](mailto:lhogan@cc.state.az.us). Requests should be made as early as possible to  
allow time to arrange the accommodation.

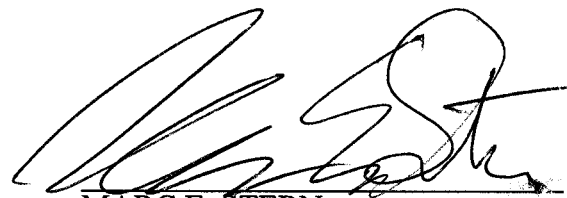
7 IT IS FURTHER ORDERED that Applicant shall cause the above notice to be published at  
8 least once in a newspaper of general circulation in its service territory, with publication to be  
9 completed no later than December 15, 2006.

10 IT IS FURTHER ORDERED that Applicant shall file certification of publication as soon as  
11 practicable after the publication has been completed.

12 IT IS FURTHER ORDERED that notice shall be deemed complete upon publication of same,  
13 notwithstanding the failure of an individual customer to read or receive the notice.

14 IT IS FURTHER ORDERED that the presiding Administrative Law Judge may rescind, alter,  
15 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by  
16 ruling at hearing.

17 DATED this 20<sup>th</sup> day of November, 2006.

  
MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

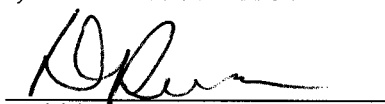
20 Copies of the foregoing mailed/delivered  
21 this 20<sup>th</sup> day of November 2006, to:

22 Mark Grapp  
23 WATCO  
24 P.O. Box 1270  
Show Low, Arizona 85902

25 Christopher Kempley, Chief Counsel  
26 Legal Division  
27 ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, Arizona 85007

Ernest Johnson, Director  
Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, Arizona 85007

ARIZONA REPORTING SERVICE, INC.  
2627 N. Third Street, Suite Three  
Phoenix, Arizona 85004-1104

By:   
Debbi Person  
Secretary to Marc Stern